

5 June 2007

Inspicio plc
("Inspicio" or the "Company" or the "Group")
Acquisition of Scientifics Limited ("Scientifics")

Inspicio plc (INP.L), the UK and international inspection and testing business, is pleased to announce that it has entered into an agreement to acquire Scientifics Limited ("the Acquisition"), one of the UK's leading independent analytical testing and consultancy businesses.

Acquisition Highlights:

- Continues Inspicio's stated strategy to consolidate the fragmented testing and inspection industry
- Brings greater scale to Inspicio's environment testing business through links with ESG
- Continues to grow and diversify Inspicio's range of service offerings and client base
- Adds UK's leading air and emissions testing business to Inspicio's UK testing offering
- Adds new capabilities in nuclear decommissioning and environmental radiochemistry testing
- Total consideration of £22.0 million in cash
- Scientifics' existing management remaining in the business
- The Acquisition will be funded through a combination of Increased Debt Facilities of £12.0 million and Convertible Loan Notes of £12.0 million entered into with Marwyn
- Intention to issue up to £24.0 million of New Ordinary Shares, subject to shareholder approval, to facilitate the conversion and repayment of the Convertible Loan Notes, cover all costs and finance future small acquisitions
- An EGM to vote on the share issuance will take place on 27 June 2007

About Scientifics:

- One of the UK's largest privately held businesses in the testing and consultancy markets
- Active in a range of testing areas, including environment, transport and nuclear
- Earnings before interest, taxation, depreciation and amortisation of £2.3 million in 2006, at a margin of 14.5 per cent
- 350 staff in 10 UK locations
- High quality client base with high level of recurring revenues

Commenting on the Acquisition, Inspicio's Chief Executive Officer, Mark Silver, said:

"Scientifics is an excellent fit with Inspicio. It takes us into new growth markets such as Air and Emissions and Nuclear Decommissioning testing. Its Environment testing business is highly complementary to ESG and builds our market share in that sector. There are a number of further areas that will link well with our existing businesses to enable cross-selling opportunities and create synergies.

"We plan to integrate Scientifics into the Group as quickly and effectively as possible. We have a comprehensive review and evaluation process that we will initiate straight away to determine the optimal structure of the combined company. We intend to retain the "Scientifics" brand name and identify potential growth areas for Scientifics' services within our existing network. This acquisition is another step in our ongoing strategy to consolidate the fragmented inspection and testing industry."

For further information please contact:

Mark Silver, Chief Executive Officer, Inspicio plc 020 7248 0802

Anisha Patel, Brunswick 020 7404 5959

Overview

The board of Inspicio plc (INP.L), the UK and international inspection and testing business, is pleased to announce that it has entered into an agreement to acquire Scientifics Limited for £22.0 million in cash. The Acquisition is in line with the Company's strategy to consolidate the fragmented inspection and testing industry. Through this acquisition Inspicio will continue to grow and diversify its service offerings and client base, leveraging the group's existing international laboratory network.

The Acquisition and related costs are to be financed through a combination of Increased Debt Facilities of £12.0 million and Convertible Loan Notes of £12.0 million issued to Marwyn.

Inspicio is acquiring one of the UK's largest privately held testing and consultancy businesses. Scientifics operates the UK's leading air and emissions testing service. It operates an environmental testing business that will link with Inspicio's ESG division. It also brings new clients and services in the nuclear contamination, pharmaceutical and forensics testing businesses. There are opportunities to build capacity and realise efficiencies in the combined company, particularly within the property portfolio, the full extent of which will be determined by a comprehensive review of the two businesses once the acquisition is completed.

Rationale for the Acquisition

Inspicio's stated objective is to acquire and manage companies and businesses in the UK and international inspection and testing (including performance conformity) markets. To date, Inspicio has made three substantial acquisitions: Inspectorate in October 2005, ESG in April 2006 and Eclipse in August 2006.

The Directors believe that a number of factors are stimulating long-term growth in the inspection and testing market, and will support the growth of a global inspection and testing business:

- Regulatory and legislative changes driving the need for new and tougher testing regimes
- Buyers/sellers of goods and services seeking independent third party inspection
- Multinational businesses requiring consistent inspection and testing services
- Globalisation of supply chains

The Directors believe the Acquisition is an excellent opportunity for Inspicio to achieve greater scale in the environmental testing and related sectors, continue diversifying its services and client base, and increase its exposure to higher margin testing services. Scientifics will add a number of new business areas and clients to Inspicio that will enable the Group to cross sell in both directions. There are also opportunities to build capacity and realise efficiencies, particularly within the property portfolio.

The Directors anticipate that opportunities will be available to Inspicio following the Acquisition:

- Cost synergies – arising from a rationalisation of central costs as insurance, systems and professional fees and an overlap of locations; and
- Revenue synergies – arising from the ability to cross sell services to clients of the Group.

Scientifics is a successful business with a stable and high quality customer base. It earned revenue of £16 million and achieved EBITDA margins of 14.5 per cent in the year to 31 August 2006.

Consideration and financing

The consideration of £22.0 million for Scientifics was paid part cash and part by the issue of unsecured variable rate loan notes of the Company to the Vendors. The Acquisition and related costs will be funded 50 per cent from Increased Debt Facilities, and 50 per cent by Convertible Loan Notes.

Inspicio has entered into Convertible Loan Notes of £12.0 million with Marwyn to enable Inspicio to complete the Acquisition. At the option of the Company, the Convertible Loan Notes may be converted into New Ordinary Shares at a price of 180 pence per share before June 2008. In the event that the Resolutions are passed at the EGM, £8.0 million nominal of the Convertible Loan Notes, together with any accrued interest, will be converted into New Ordinary Shares at a price of 180 pence per share. The balance of the Convertible Loan Notes may, at the Company's option, either be converted into New Ordinary Shares at the average closing mid-market price on the five days prior to conversion, or repaid in cash pursuant to the Placing. Pending conversion, the Convertible Loan Notes will attract interest at the rate of 3 per cent per annum above the base rate of HSBC Bank plc.

These arrangements with Marwyn constitute a related party transaction for the purposes of the AIM Rules. Accordingly an independent committee of the board of Inspicio has been formed for the purposes of considering the Convertible Loan Notes. The independent committee comprises all of the Directors with the exception of Mark Watts who is a partner of Marwyn Investment Management LLP, the investment manager of Marwyn. The Independent Directors consider, having consulted with Altium, Inspicio's Nominated Adviser, that the terms of the Convertible Loan Notes are fair and reasonable insofar as Inspicio's shareholders are concerned.

In addition, Altium Capital Limited and Bridgewell Limited intend to carry out a Placing to raise a maximum of £16.0 million. Some of the proceeds of the Placing will be used to repay up to £4.0 million of the Convertible Loan Notes to Marwyn and for financing potential acquisitions that have already been identified by the Company.

An EGM to vote on the share issuance will take place on 27 June 2007.

Current Trading

Inspicio is trading on budget and all parts of the group are progressing as expected. The group is trading in line with the Directors' expectations for the current financial year. In particular, the turnaround of Inspectorate is on track to meet the expectations of the Directors as outlined in the admission document at the time of its acquisition in 2005. As reported in the annual report and accounts for the year ended 31 December 2006, the acquisitions of ESG and Eclipse in 2006 have been successfully integrated into the group.

--Ends--

Contact information:

Inspicio Mark Silver/Richard McBride 0207 208 0408

Brunswick Chris Blundell/Anisha Patel 0207 404 5959

Altium Nick Tulloch 0207 484 4040

Bridgewell Chris Madderson 0207 003 3000

Notes to Editors:

About Inspicio

Inspicio was admitted to AIM on 29 April 2005 as a newly incorporated company, established to acquire and manage organisations in the testing, inspection and performance conformity markets, both in the UK and internationally. The Group now has over 5,000 employees operating in almost 130 countries and a framework for continued growth.

Inspicio acquired Inspectorate – a global leader in testing and inspection services – in October 2005. It has since made two further acquisitions in pursuit of that aim - Environmental Services Group was acquired from Mowlem plc in April 2006 and Eclipse Scientific Group in August 2006.

Inspicio aims to grow through acquisitions as well as structuring acquired businesses for organic growth and maximising any consolidation opportunities. It intends to use Inspectorate's global infrastructure to drive international expansion and its vision is to become a significant global player in the testing, inspection and performance conformity market.

For more information please go to: www.inspicio.com

About Scientifics Limited

Scientifics is one of the UK's leading independent analytical testing and consultancy businesses. Scientifics tests, monitors and analyses processes, materials, products and data to help organisations meet their information needs, gain a competitive advantage, operate safely and adhere to legislation.

The company was established out of British Rail in 1996 with the objective of acquiring analytical testing and consultancy businesses to create one of the largest privately held businesses in the sector. It has since acquired seven businesses and enjoyed considerable organic growth, increasing its scale, service offering, client base and geographical coverage, and now employing over 350 staff.

Atesta Holdings Limited, a new company formed by a private investor group led by Paul Murray along with the current management team, acquired Scientifics Limited on 20 December 2005. The change of

ownership was followed by a programme of restructuring and recruitment which aimed to stimulate and accelerate the growth of the business.

Scientifics has a blue chip client base that is served nationally. It has scale in a number of attractive and rapidly growing sectors such as contaminated land, nuclear and air quality. The management is a highly experienced group of well-trained scientists and technical staff with low staff turnover.

The turnover and EBITDA attributable to Scientifics, as extracted from the management accounts for the year ending 31 August 2006, were approximately £16.0 million and £2.3 million respectively.

The customer base of Scientifics is broad, with approximately 2,000 live customer accounts. No single customer accounts for more than 5 per cent of total turnover.

Scientifics has a range of properties across the UK, including properties located in Derby, Birmingham, Doncaster, Glasgow, Gloucester, Harwell, London, Sheffield, Stockport and Swindon. The majority of these properties are leasehold, with one freehold and one licence.

Scientifics scope of work involves both monitoring and consultancy in the field and laboratory based testing and analysis. Scientifics' operating structure is as follows:

Analytical Group

Specialist Chemistry (12% of turnover)

- Monitoring businesses under Environmental Protection Act

Nuclear (9% of turnover)

- Determination of low levels of radio-activity in environmental samples (e.g.) streams and rivers, together with analysis of land around nuclear installations
- It also monitors the well being of employees in the nuclear industries

Forensics (8% of turnover)

- Analysis of drugs (e.g.) for providing expert witness evidence in Court
- Drug and alcohol testing (for pre employment, for cause and post incident testing)
- General lab testing

Materials & Oils (7% of turnover)

- Monitoring the condition of oil from plant and machinery to monitor its performance (e.g.) railway engines
- Analysis of the structural integrity of bridges and buildings (e.g.) anti-corrosive products used on bridges

HSE

Asbestos (22% of turnover)

- Helps businesses manage their statutory requirements under CAWR 2002 and CAR 2006 including carrying out surveys (Type 1, 2 and 3), air monitoring and management of their ongoing asbestos risk

Environment (12% of turnover)

- In particular monitoring of waste products and occupational hygiene i.e. monitoring the welfare of employees in the workplace (such as noise, dust, fumes) and water (e.g.) legionella

Air & Emissions (16% of turnover)

- Analysis of samples including air quality monitoring (e.g.) from tall chimneys, incinerators; contaminated land and clean room monitoring

Civils (14% of turnover)

- Materials testing for civil and construction companies such as testing concrete cubes, concrete coring, and the inspection of concrete related structures

For more information please go to: www.scientifics.com